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COPY NO. 59
OCI NO. 0419/62
1 June 1962

CURRENT INTELLIGENCE WEEKLY SUMMARY

RELEASE IN PART
EXEMPTIONS: (b)(3)
(b)(1)
DATE: APR 2002

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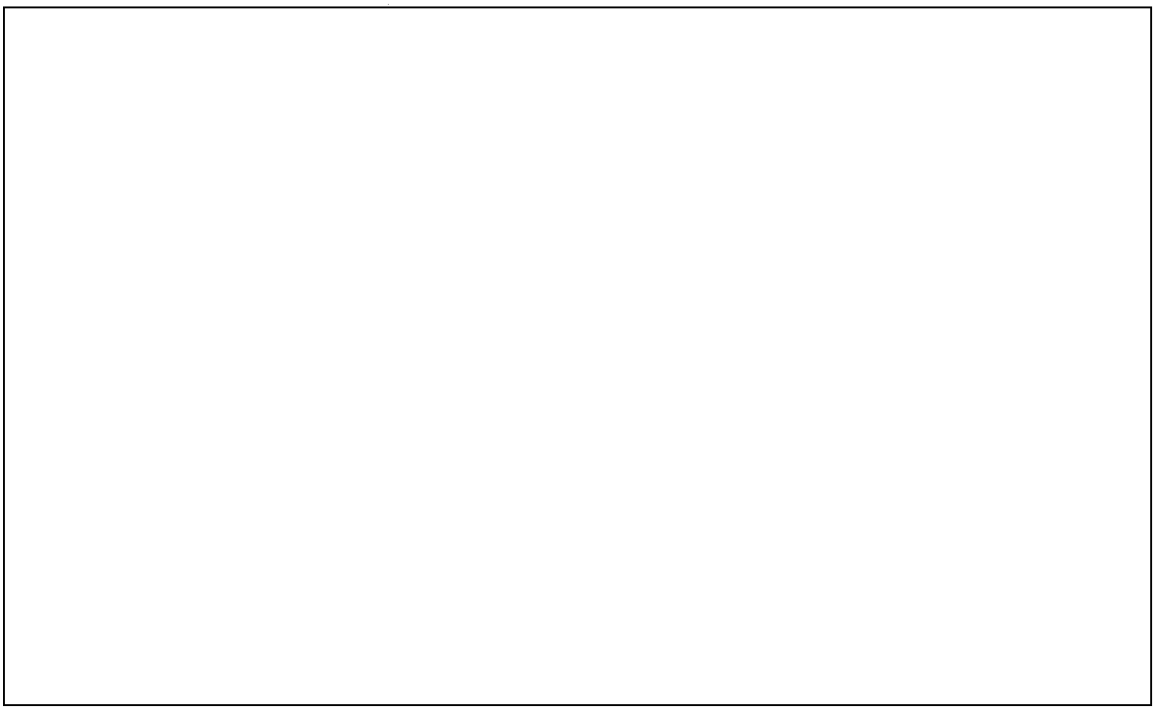
Peasant leagues, founded in the mid-1950s by Communist and Socialist leaders to agitate for rural reforms, exist in many parts of Brazil's impoverished northeast. Tensions in this area have been heightened by rapid rises in food prices over the past several months. Francisco Juliao, the most widely known league leader, has recently begun cooperating with Brazil's dissident Communist party, which is pro-Peiping and advocates revolutionary violence. Peasant unrest is likely to play a significant role in Brazil's congressional and state elections next October.



CURRENT INTELLIGENCE WEEKLY SUMMARY

PEASANT LEAGUES IN NORTHEASTERN BRAZIL

Peasant leagues, founded in the mid-1950s by Communist and Socialist leaders to agitate for rural reforms, exist in many parts of Brazil's impoverished northeast. Tensions in this area have been heightened by rapid rises in prices of several basic foods over the past few months--rises which have been accentuated by hoarding on the part of the more prosperous. Drought in some areas of the interior has caused thousands of agricultural workers and their families to abandon their farms and seek work and food in the towns. Hunger riots have broken out, and there has been some looting of food stores.

The Northeast

Northeastern Brazil, an area of 970,000 square miles with a population of 22,000,000, is rivaled in Latin America as a depressed area only by Bolivia and Haiti. Per capita income is estimated at less than $100 annually, one third of the average for Brazil as a whole. In Piaui, the most depressed state, annual income is only 30 dollars per capita--less than that of Communist China.

In a narrow humid belt along the coast, land is devoted to sugar cane production but with considerably less efficiency than in other commercial sugar raising areas in Brazil or elsewhere. Cane planting, with low labor productivity, pays minimal wages. Urban growth and population increases, together with little industrial expansion and a scarcity of food cultivation, have led to extremely high food prices in relation to wages.

Most of the interior is an area of periodic drought. This is the area which authorities have long had difficulty in controlling and which is the setting of Brazil's best-known literary work, Rebellion in the Backlands--the factual account of a fanatic who led a rebellion for many years in the latter part of the 19th century.

Although normal annual rainfall in the interior is about 25 inches, it occurs in cloudbursts which limit its utility. For many years the economy consisted mainly of cattle-raising on a subsistence level. This is still one of the two most important sources of livelihood in the area, and a hardy variety of cattle has been developed which can feed on nothing but cactus. There has been a gradual shift, however, toward raising cattle for export to the coastal cities, and with it has come a gradual concentration in landownership.

Cotton has been introduced as a leading cash crop and is the region's most drought-resistant money crop. Cotton, however, requires considerably more labor than the previous all-cattle economy and consequently a much higher degree of food cultivation. This has increased the area's vulnerability to severe drought. When drought in 1958 caused a loss of up to half the interior's food supplies, thousands of rural workers flooded the coastal zones and depressed the living standards of the resident poor--who were already close to the subsistence level.

The Peasant Leagues

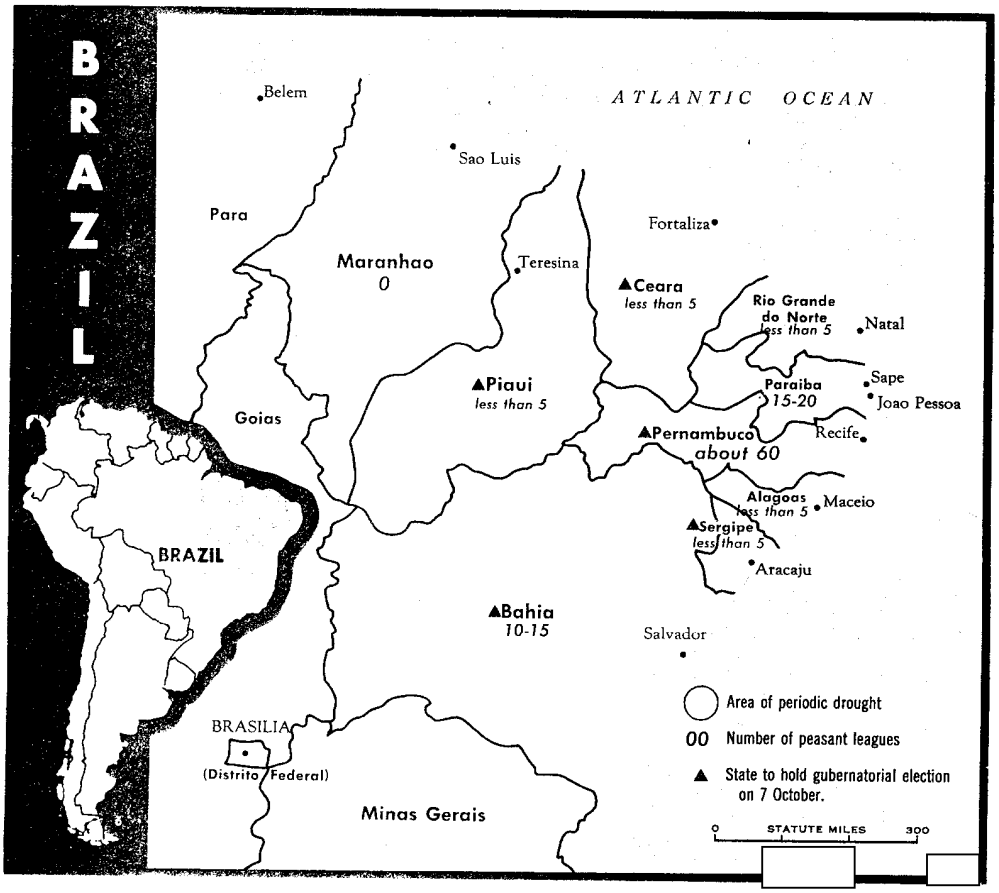
The economic dislocations of the 1958 drought provided a new impetus for improving conditions in the area, and the peasant leagues have gained strength. In the state of Paraiba they constitute a militant popular organization. Elsewhere, however, the leagues are as yet badly coordinated and some are inactive. Most are in the sugar zone, while a smaller number have been founded in the area of periodic drought. Membership ranges widely from 75 to 5,000 per league, and members are usually assessed 5-10 cents monthly for dues.

The leagues have emphasized legal aid for rural workers, tenants, and small landholders, and many of the part-time organizers are said to be lawyers who are engaging in league activity with an eye to a political future. Legal advice for small landholders has particular importance in Brazil, since only an estimated one percent of land titles are clearly valid. Squatters, who can acquire legal title to a plot of land after some years of living and raising crops on it, also require legal help.

A Brazilian magazine of national circulation highlighted the importance of legal services for the rural poor in an account several months ago of a tenant farmer's problems with his landlord. The tenant objected to a summary doubling of his rent. The landlord's 20-year-old son and his friends thereupon visited the tenant, playing a hunting "game" with the tenant's small son which ended in shooting him to death. Legal services available in the area resulted in liberty for the landlord's son and prison, beatings, and suicide for the tenant.

Leagues in Paraiba

The largest number of peasant leagues is in the state of Pernambuco, but those showing most activity in the past ten months are in the state of Paraiba. These leagues have achieved widespread support--including that of the conservative Social Democratic party--and at least the benevolent neutrality of the governor, but they are opposed by large landholders and army elements.



The subversive potential of the Paraiba leagues was indicated in August 1961 when an army search of a farm near Sape uncovered Communist party propaganda as well as literature on agrarian reform and a number of .45-caliber pistols with ammunition. The farm belonged to a peasant league leader, and the army's discovery appears to have heightened tensions in the area. In late 1961 the president of the peasant league of Sape was seriously wounded, and on 2 April the acting president was killed by unidentified gunmen. Preliminary investigation indicates that the gunmen were hired by members of the "Syndicate of Death," an organization of landlords.

In early April army units were reported posted on all roads leading from the interior of the states of Paraiba, Pernambuco, Rio Grande do Norte, Sergipe, and Piaui. The army announced officially that the roadblocks were for the purpose of controlling smuggling, but the army maneuver was evidently designed to find arms caches in peasant hands and to prevent a scheduled mass demonstration by rural workers aroused over the 2 April killing. Peasant league leaders in Paraiba's capital city were placed under house arrest, and one was apparently secretly deported to a neighboring state.

The two-sided nature of possible violence was indicated earlier this year when the manager of a large ranch in Paraiba and one of his assistants were killed with knives and hoes. The Paraiba governor appears to be sympathetic to the rural workers, however, and in early May sent a protest to President Goulart against prolonged occupation of his state by the army, "which continues to occupy the streets and fields as if the solution of the crisis depended on the speed of their triggers."

The popularity of the Sape league may derive from the numerous welfare services which it has provided for its members. At least prior to the assassination of its leader in April, it operated a primary school for children of members and offered medical and dental care as well as legal assistance to members and their families. In addition to paying the fees of one lawyer, one physician, and two dentists on a full-time basis, the Sape league used the services of 18 physicians and several lawyers on a part-time basis.

The program of the Sape league specially urges the lowering of land rental and costs and the alleviation of the requirement made on the peasants to work two or three days a week for the landowner for about 12 cents a day. The Sape league, which covers an area of sisal, sugar, pineapple, and cotton holdings, collected the equivalent of $160 to $240 a month from its members during the winter and from $320 to $400 a month during the months which yielded good crops. Its membership is reportedly 5,000.

The October Elections

The increasing problem presented by peasant unrest, whether mobilized by peasant leagues or other organizations, is likely to play a significant role next October in congressional and municipal elections throughout the area and in simultaneous gubernatorial elections scheduled in five northeastern states. Illiteracy will limit the direct voting strength of league members. One leader estimates, for example, that only 20 percent of league members in his state are sufficiently literate to qualify for voting.

Nevertheless, rural reform is likely to be a campaign issue. Three gubernatorial elections in 1960 resulted in active reform programs and relative peace in two states--Rio Grande do Norte and Alagoas--while the indecisiveness of Governor Gondim in Paraiba has probably contributed to the repeated threats of widespread violence there. Moreover, Francisco Juliao probably has sufficient strength in his home state of Pernambuco to achieve election as federal deputy and thus gain a national forum for agitation for the peasant leagues.